

32-725. Limited reciprocity privilege; qualifications (Effective 9/26/08)

A. The limited reciprocity privilege may be exercised by an individual who is not a resident of this state and who meets the requirements of this section.

B. To qualify to exercise the limited reciprocity privilege, an individual must:

1. Have a principal place of business that is not in this state.
2. Not be the subject of suspension or revocation of a certificate as provided by section 32-741 or relinquishment of a certificate as provided by section 32-741.01.
3. Hold a valid registration, certificate or license as a certified public accountant issued by another state and either of the following must apply:

(a) The other state requires as a condition of licensure on or before December 31, 2011 that an individual has all of the following:

- (i) At least one hundred fifty semester hours of college education including a baccalaureate degree conferred by an accredited institution.
- (ii) A passing grade on the uniform certified public accountant examination.
- (iii) At least one year of experience in the practice of accounting that has been verified.

(b) The individual meets the qualifications prescribed in section 32-726.

C. An individual qualifying for limited reciprocity privilege under this section is considered to have qualifications that are substantially equivalent to the requirements prescribed pursuant to this chapter, as provided by section 32-726, and has all of the privileges of registrants, certificate holders or licensees in this state without obtaining a registration, certificate or license under this chapter.

D. An individual qualifying for limited reciprocity privilege under this section may use the title "CPA" or "certified public accountant" and may offer or practice accounting in person or by mail, telephone or electronic means. no notice, fee or other submission is required. the individual is subject to the requirements prescribed in subsection e of this section.

E. Each individual who holds a registration, certificate or license issued by another state and who exercises the limited reciprocity privilege and each partnership, corporation or other entity engaging in the practice of accounting as provided by this section, as a condition of exercising the privilege provided by this section:

1. Shall:

(a) Comply with article 3 of this chapter and rules adopted pursuant to article 3 of this chapter. In any investigation or other proceedings conducted pursuant to article 3 of this chapter, an individual claiming permission to practice as a certified public accountant in this state under the limited reciprocity privilege has the burden of demonstrating that the applicable requirements of subsection b of this section have been satisfied.

(b) Cease the offering or practicing of accounting in person or by mail, telephone or electronic means in this state if the individual no longer satisfies the requirements of subsection b of this section or the partnership, corporation or other entity no longer satisfies the requirements of subsection g of this section.

2. Is subject to:

(a) The personal and subject matter jurisdiction of the board and the power of the board to investigate complaints and take disciplinary action.

(b) Service by either of the following:

- (i) The appointment of the state board that issued the registration, certificate or license to the individual as agent, on whom process may be served in any action or proceeding against the person by the board.
- (ii) Directly on the person.

F. Any individual who holds a valid registration, certificate or license as a certified public accountant issued by another state or a foreign country, whose principal place of business is not in this state and who does not otherwise qualify under this section for limited reciprocity privilege may enter this state and provide services if the services are limited to the following:

- 1. Expert witness services.
- 2. Teaching or lecturing.
- 3. Other services as determined by the board.

G. A partnership, corporation or other entity formed under the laws of another state relating to the practice of accounting in that state may use the title "certified public accountant" or "CPA" in this state and may engage in the practice of accounting in this state, including the provision of restricted financial services, without having to register as a firm if all of the following apply:

- 1. The partnership, corporation or other entity is owned by or employs an individual who is a limited reciprocity privilege holder pursuant to this section.
- 2. The partnership, corporation or other entity is in good standing in its principal place of business under the laws of that jurisdiction relating to the practice of accounting.
- 3. The principal place of business of the limited reciprocity privilege holder is a recognized place of business for the practice of accounting by the partnership, corporation or other entity.
- 4. The partnership, corporation or other entity does not have an office in this state and does not represent that it has an office in this state.